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Indonesia

ATO ACTIVITIES reports

U.S. Food Products Agent Show '98, Pekanbaru, Sumatera 1998

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Report Highlights:

As part of ATO-Jakarta effort to expand food distribution beyond Jakarta, over 400 visitors, mainly expatriates came to this first show held in Pekanbaru, Sumatera. The U.S. food products that were in strong demand include frozen meat, poultry, dairy products, canned foods, sauces, salad dressings, bakery ingredients, snack, beers and wines.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Jakarta [ID1], ID

The U.S. Food Products Agent Show 1998 was held in Jakarta, Riau, Indonesia, September 13, 1998.

STATISTICAL SUMMARY

A. Profile of Visitors

| | |
|--------------------------------------|-----|
| 1. Total number of visitors | 400 |
| 2. Expected total number of visitors | 200 |

B. Profile of U.S. Food Showcase

| | |
|--|---------|
| 1. Size in square meters | 200 sqm |
| 2. Total number of Participating companies/ agents (included cooperators) | 12 |
| 3. Total number of U.S. brands represented | 140 |

C. Show Expenses

| | |
|--|-------|
| | US \$ |
| 1. Exhibition and seminar rooms | 330 |
| 2. Flyers, invitation, and brochure | 280 |
| 3. Travel * | 1,100 |
| 4. Miscellaneous (temporary help, mailings, etc.) | 250 |

| | |
|----------------|--------|
| TOTAL EXPENSES | 1 ,960 |
|----------------|--------|

*Travel included one set up trip for two people and 6 office staff traveling to work at the show

FAS FIELD EVALUATION

OBJECTIVES

1. To expand the market of U.S. high value food products to Riau and its surrounding, both through the trade and consumers.
2. To introduce the U.S. food product agents in Jakarta to local traders, supermarkets, commissaries, restaurants, caterers, and hotels in Riau area.
3. To introduce agents of U.S. food product and sell directly the U.S. food products available in the Jakarta market to expatriate communities who lived in Pekanbaru and the surrounding area.
4. To focus the market segmentation to expatriate that has not been significantly effected by the Indonesian economic crisis.
5. To show the local business the potential sales demand if they carry these products on a regular basis to Riau market.

6. To analyzed the result of the trade and expatriate participation to maintain or to increase the demand of U.S. food product in Riau and its surrounding.
7. To carry out a U.S. food product promotion simultaneously in a restaurant, caterer, and supermarket for further exposure and promotion.

STRATEGY

1. Invite local agents and cooperators to represent, display and/or sample their product at the U.S. Food Agent Show. Target especially the agents that are able and willing to supply and ship small amounts of product to remote locations.
2. Create a contact list and invite all local trade contacts to meet with representatives and or cooperators during the exhibition.
3. Organize the participants and establish a professional exhibition floor to showcase their U.S. food products.
4. Work with the hotel to feature U.S. food product in their restaurant menu
5. Design and produce a brochure of the participating agents for U.S. food products in Indonesia.
6. Provide an informal opportunity for the agents to meet one-on-one with the retail traders, the chefs and F & B managers, and the food processors at the show.

EVALUATION

A. Preparation

The Balikpapan Food Show last April was considered a great success by the participants. Based on that, ATO and several major importers decided to arrange similar show in Pekanbaru, where a large number of American expatriate are living.

In the middle of August we flew to Pekanbaru to assess the feasibility of a show and to look for the best possible venue. We visited three hotels (Aryaduta, Sahid, and Mutiara Merdeka), and Caltex Rumbai Country Club. Key to our success would be informing the trade and expatriates of the show and ensuring their participation, especially since no one had ever attempted a food show in Pekanbaru.

The Aryaduta Hotel was chosen due to the availability of appropriate rooms at a reasonable cost. Further, the hotel's would be able to provide all the services that a food show requires.

After scheduling the show for September 13, recruitment letter were sent to the major importers and U.S. cooperators that had participated in previous shows. Nine agents and three cooperators responded and registered for participation directly.

Flyers were sent out to 82 companies, hotels, restaurants, and supermarkets in Pekanbaru, Batam, and Dumai,

and another 757 to expatriate communities in the same area, and Minas and Duri. Aryaduta provided helpful contact lists based on their regular guests.

B. Show Events and Results

The exhibition was held in a ballroom and each exhibitor had a large table to decorate. Some had or brought their own freezer from Jakarta for displaying/showcasing their frozen products. The show time was carried out from 11.00 am to 18.00 pm on September 13. Some exhibitors provided sample of their U.S. food products for the visitors.

Traffic through the show was heavy. In the first two hours, over 200 visitors registered, mainly expatriates. They were interested in a wide variety of U.S. products, including frozen foods such as meat and poultry, dairy products, canned foods, sauces, salad dressing, beverage, wines, beers, snacks and bakery ingredients. Feed back from most American expatriates was very positive. Their comments indicated that local supermarket chain have not been able to maintain adequate supplies of imported food products despite continued demand. In conjunction with the show, Aryaduta Hotel had special American Food Menu "US MEAT LOVERS" that used imported meat in their Tirta Ayu Restaurant.

The previous day, U.S. Consular Counselor of The U.S. Embassy offered American Citizen Services, including registration, notarial services, acceptances of U.S. passport applications, and extra pages for passport. Then, a day after the show, U.S. Foreign Commercial Service offered a seminar to all Indonesian companies titled "How to do business with The United States".

In addition, on September 11 and 12, U.S. Meat Export Federation and U.S. Poultry Export Council conducted a seminar "Cooking US Meat & Poultry at Home" for Caltex employees and expatriates at Main Hall Caltex Rumbai Country Club.

C. Participants

The following companies, cooperators, agents, and services participated in the show:

1. P.T. Biru and Son - Heinz products
2. P.T. Kurnia Mitra Sejati - Coffee D'Amore
3. P.T. Casmo Delika - the delicatessen, cheese, the meat rack, pork and bacon, beers, snacks, Mexican and Cajun, wines, breakfast, salad fixings, pasta
4. P.T. Prambanan Kencana - dried fruits and nuts, and bakery products
5. P.T. Sukanda Djaja Pekanbaru - U.S. meat & poultry, and frozen Tony's pizza
6. Hard Rock Cafe - hotel and restaurant
7. Multicater - Mc Donald & IBP Meat
8. Hyatt Aryaduta Jakarta - hotel
9. P.T. Pamerindo Buana Abadi - exhibition organizer
10. U.S. Asia Environmental Partnership
11. U.S. Meat Export Federation
12. U.S. Poultry & Egg Export Council

RECOMMENDATIONS

1. Based on the result of exhibitors evaluation, the next U.S. Food Products show should be held in Balikpapan, Manado or Ujungpandang as an option for November 1998 show planning. Lombok, Lhokseumawe, Balikpapan and Ujungpandang was an option for March/April '99 show.
2. Based on our difficulties in trying to obtain a good contact list for all of our trade events outside of Jakarta, it is very critical for one ATO staff to spend several days at the site 3 months before the show to develop a good list of local traders, retailers, food manufacturers, hotels, restaurants, caterers, and expatriates.
3. We have to separate the show hours for traders and expatriates to reach the effective result of the show. The show hours for expatriates are very crucial for the success of the proposed show. On Sunday, the show should be held from 10.00 am to 04.00 pm by considering their time back to companies site. If the show is held on Saturday the show time could be longer (10.00 am to 06.00 pm). Show hours for the trade should be after normal business hours. Since trade shows are not common in the areas, most traders will not take time during the business day to attend. Unless if we conduct a seminar in the morning and draw the traders to the exhibition in the afternoon.
4. Pekanbaru is still a small market for U.S. high value products compared to Jakarta, but it is one of the prospective market. More promotion, introduction and exposure to U.S. high value products should be considered.
5. Carry out a post-trade show evaluation for the participants on their trade contacts and sales six month after the show is important.
6. A "point person" is crucial to act as a liaison between the hotel and the exhibitors for taking care of the many details.
7. Effort should begin well in advance to get a local supermarket, restaurant and bakery involved in a U.S. food product promotion during the show.
8. Effort should be made to work with FCS to recruit related U.S. agents such as hotel, restaurant and bakery equipment suppliers to compliment the food suppliers.
9. Volunteers especially from various hotel and tourism schools to help during exhibitions is appreciated.